

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6223

BILL NUMBER: HB 1332

NOTE PREPARED: Nov 25, 2008

BILL AMENDED:

SUBJECT: License Agent Service Fees.

FIRST AUTHOR: Rep. Richardson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill increases from \$0.75 to \$1.75 the service fee that is retained by agents of the Department of Natural Resources (DNR) for selling a hunting, trapping, or fishing license.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* With the \$1 increase in the fee retained by the agent, DNR revenues would be reduced by an estimated \$602,534. License fee revenue is deposited into the Fish and Wildlife Fund, which is used to finance the operations of the DNR Division of Fish and Wildlife and the DNR Division of Law Enforcement.

Background: In 2008, DNR licenses could be purchased from 846 independent license retailers, 51 DNR properties, 2 county clerk's offices, and the DNR online point-of-sale system (iPOS, dnr.in.gov licensing outlets). From January through November 23, 2008, the DNR sold 860,763 licenses with net revenues of \$16.7 M. Internet sales equaled 203,342, or about 24% of overall sales. The Crawford County Clerk sold 37 licenses, and the Marshall County Clerk sold 42 licenses in the same time period.

Based on the above information, a total of about 900 entities sold licenses. About 6% of the entities that sold licenses were DNR facilities on DNR properties (not including the DNR iPOS); 24% of total license sales were sold online through the DNR iPOS; and 2 counties sold 79 licenses (less than 1%). Assuming that the number of licenses sold are distributed proportionally among independent retailers and the DNR, an

estimated 70% of licenses would be sold by independent retailers, or 602,534 licenses (860,763 *0.70). With the \$1 increase in the fee retained by the agent, DNR revenues would be reduced by an estimated \$602,534.

Explanation of Local Expenditures:

Explanation of Local Revenues: Based on 2008 data, additional revenue for Crawford County would be \$37. Additional revenue for Marshall County would be \$42. Revenue from the service fees is paid into the county's general fund.

State Agencies Affected: DNR.

Local Agencies Affected: Crawford and Marshall Counties.

Information Sources: DNR, Crawford County Clerk; Marshall County.

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.